

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Boston Regional Office
JFK Federal Building, Government Center
Boston, Massachusetts 02203



DIVISION OF MEDICAID AND CHILDREN'S HEALTH OPERATIONS

September 28, 2012

Nicholas A. Toumpas, Commissioner
New Hampshire Department of Health
and Human Services
129 Pleasant Street
Concord, NH 03301

Dear Commissioner Toumpas:

On May 11, 2012, New Hampshire submitted to the Centers for Medicare & Medicaid Services (CMS) three (3) managed care contracts for your Care Management Program. The Care Management Program was approved on August 24, 2012, through the 1932(a) State Plan option. CMS' preliminary review has determined that the basic frameworks of the three (3) managed care contracts are approvable.

As you know, we have been meeting weekly and making considerable progress working through the issues identified in the rate certification and contract readiness. Specifically, CMS has identified two issues regarding the contract capitation rates, which are: the effect of the performance improvement and payment reform withholds on actuarial soundness and the enhanced inpatient maternity payments to Coos County Hospitals. CMS and DHHS have discussed allowable options and the State has indicated it will address these issues. We believe that working together we will arrive at a mutually agreeable outcome that will allow New Hampshire to transform the current delivery system and improve quality of care.

CMS is committed to doing whatever we can to expedite the process towards final approval and appreciate all that you and your team have done to move this initiative forward. We look forward to continuing our partnership. Please contact Angel Miller if you have any questions. Ms. Miller may be reached at 617-565-1324 or by email at Angel.Miller@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink that reads "Richard R. McGreal". The signature is fluid and cursive, with the first name "Richard" and last name "McGreal" clearly legible.

Richard R. McGreal
Associate Regional Administrator

cc: Kathleen Dunn, State Medicaid Director